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No. 02-

IN THE

Supreme Court of the United States

TALBERT FUEL SYSTEMS PATENTS CO.,

Petitioner,

v.

UNOCAL CORPORATION and TOSCO CORPORATION,

Respondents.

ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

PETITION FOR A WRIT OF CERTIORARI

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QUESTION PRESENTED

Should this Court vacate the judgment below and remand for further consideration in light of the intervening decision in *Festo Corp. v. Shoketsu Kinzoko Kogyo Kabushiki Co.*, 122 S. Ct. 1831 (2002), which held that prosecution history estoppel is not an absolute bar to the application of the doctrine of equivalents, and that when circumstances give rise to the presumption of prosecution history estoppel, a patentee may rebut that presumption?

RULE 29.6 STATEMENT

Petitioner Talbert Fuel Systems Patents Co. is an Illinois partnership wholly-owned by Talbert Fuel Systems, Inc. and Lamb Patents Co., L.L.C.

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Talbert Fuel Systems Patent Co. respectfully petitions for a writ of certiorari to review the judgment of the United States Court of Appeals for the Federal Circuit in this case.

OPINIONS BELOW

The January 8, 2002 Federal Circuit judgment and opinion (App. A, *infra*, 1a-15a) affirming the district court's judgment of noninfringement in favor of respondents is reported at *Talbert Fuel Systems Patents Co. v. Unocal Corp.*, 275 F.3d 1371 (Fed. Cir. 2002). The Federal Circuit's March 15, 2002 order (App. G, *infra*, 43a-44a) denying rehearing and rehearing en banc is not reported. The district court's orders of October 27, 1999 (App. B, *infra*, 16a-22a), May 3, 1999 (App. C, *infra*, 23a-24a), April 28-29, 1999 (App. D, *infra*, 25a-27a), April 6, 1999 (App. E, *infra*, 28a-33a), and December 11, 1998 (App. F, *infra*, 34a-42a) are not reported.

STATEMENT OF JURISDICTION

Jurisdiction in the district court was based upon 28 U.S.C. § 1338(a). Jurisdiction in the Federal Circuit was based upon 28 U.S.C. § 1295. That Court entered its opinion and order on January 8, 2002, and denied rehearing and rehearing *en banc* on March 15, 2002. The Chief Justice granted an extension of time for filing this petition to and including Saturday, July 13, 2002. This Court has jurisdiction under 28 U.S.C. § 1254(1).

CONSTITUTIONAL AND STATUTORY PROVISIONS INVOLVED

Article I, section 8 of the United States Constitution provides:

> Congress shall have the power . . . to promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their Respective Writings and Discoveries.

35 U.S.C. § 271(a) provides:

> Except as otherwise provided in this title, whoever without authority makes, uses, offers to sell, or sells any patented invention, within the United States or imports into the United States any patented invention during the term of the patent therefor, infringes the patent.

STATEMENT OF THE CASE

This petition follows on the heels of this Court's recent decision in *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co., Ltd. a/k/a SMC Corp. and SMC Pneumatics, Inc.*, 122 S. Ct. 1831 (2002), *vacating* 187 F.3d 1381 (Fed. Cir. 1999). Talbert Fuel Systems Co. ("Talbert"), the holder of U.S. Patent No. 5,015,356 ("the '356 patent" or "the Talbert patent"), brought this action in the United States District Court for the Central District of California, alleging infringement under the doctrine of equivalents against Unocal Corp., Union Oil Co., and Tosco Corp., for gasoline manufactured in accordance with Unocal's U.S. Patent

No. 5,288,393 ("the '393 patent" or "the Unocal Patent"). The district court granted summary judgment to Unocal on the question of equivalency, finding Talbert's claim barred by prosecution history estoppel. On appeal, the Federal Circuit affirmed, citing its now invalid *Festo* decision for the proposition that prosecution history estoppel bars the application of the doctrine of equivalents.

The Prosecution History of the Talbert Patent

The Talbert patent is directed to reformulated gasolines that reduce emissions while preserving key gasoline performance parameters. Briefly stated, conventional gasolines are complex mixtures of hundreds of chemicals, but mostly compounds of hydrogen and carbon ("hydrocarbons"). Gasolines are produced by refining crude petroleum, a process that includes distilling, or fractionating, hydrocarbon mixtures that have been obtained by treating petroleum in various ways. Gasoline hydrocarbons are conventionally described in three general groups or "cuts" based on the number of carbon atoms that are predominant in the hydrocarbon mixture: C_4 and C_5 ("low-end" or "front-end") hydrocarbons, C_6 to C_{10} ("middle-cut"), and C_{11} and C_{12} ("high-end").

The low-end and high-end hydrocarbons can be sources of pollution. Low-end hydrocarbons vaporize readily and have lower boiling points, entering the atmosphere uncombusted — at the gas pump, for example. High-end hydrocarbons may not completely combust in the engine, thus polluting the atmosphere through exhaust. Reduction of the low- and high-end components is environmentally desirable, but low-end hydrocarbons, also known as "primers," aid effective ignition while high-end hydrocarbons provide fuel energy.

Talbert's '356 reformulated gasoline includes reduced front-end C_4 and C_5 primer components and eliminates most of the high-end C_{11} and C_{12} components, and therefore consists essentially of C_6 to C_{10} middle-cut hydrocarbons, but still operates in standard engines. This novel and pioneering reformulated gasoline burns more completely and produces less air pollution than former gasoline mixtures.

The specification of the '356 patent contains disclosures that are specific to both "gasifier" and "standard carbureted" fuels. To emphasize that both variants of the gasoline consist primarily of C_6 to C_{10} components, the patent specification and claims describe the predominant hydrocarbons of the gasoline as having a boiling point range of 121°F-345°F — that is, one that encompasses the boiling point of the lowest boiling C_6 component and the highest boiling C_{10} component. Recognizing that some C_{11+} components would remain in the gasoline because of inevitable imperfection in the processing of the fuel at the refinery, the '356 specification also explicitly states that although C_{11+} components should be "substantially removed" from the gasifier and standard gasolines, some would remain due to those processing imperfections. Accordingly, the Talbert patent defines the "standard carbureted" fuels as having a composition consisting "essentially" of C_6 to C_{10} hydrocarbons with a primer. The specification's only reference to the 345°F temperature as a "final boiling point" is in the context of the gasifier fuel. The specification notes that the 121°F-345°F boiling range is of significance primarily to the gasifier form of the gasoline, and that the actual final boiling points of even the gasifier gasoline could exceed the C_6 to C_{10} fractionation range.

The specific temperature language in Talbert's '356 patent claims emerged in response to a series of inquiries by the Examiner during prosecution. In summary, Talbert amended the claim to include the "consisting essentially of" language, amplified by the boiling point guideline, to distinguish U.S. Patent No. 3,002,917 ("the '917 patent" or "the Hamilton patent"), which, unlike Talbert's patent, had no disclosures requiring the removal of lighter and heavier hydrocarbons. Later, in order to distinguish U.S. Patent No. 2,409,157 ("the '157 patent" or "the Schulze patent"), another gasoline employing C_5 to C_{10} hydrocarbons, Talbert amended the claim to note that so-called "paraffinic" C_{10} hydrocarbons were required under the '356 patent, with a corresponding final boiling point of 345°F, while the Schulze patent called for totally dissimilar "aromatic" C_{10} hydrocarbons, which, among other functional differences, have a lower boiling point.

Talbert had noted its prior reference to 345°F as a "final boiling point" only to alert the Examiner to the fact that the application had assumed the presence of paraffinic, rather than aromatic, C_{10} hydrocarbons. Talbert intended to demonstrate that amending the claims to include the term "paraffinic" would not offer any new matter that might warrant the amendment's rejection under 35 U.S.C. § 112.

Although described in different words, the reformulated gasolines claimed in the '356 and '393 patents are identical. The '356 patent describes the gasoline's chemical composition, while Unocal's '393 patent describes its formulation in terms of distillation characteristics. Nevertheless, anyone ordinarily skilled in the art would know that these descriptions are equivalent, because a hydrocarbon mixture having the composition described in Talbert's '356 patent will have the

distillation characteristics described in Unocal's '393 patent. Like Talbert's '356 gasoline, Unocal's '393 gasoline requires an intermediate range of hydrocarbons and consists essentially of C_6 to C_{10}, together with reduced amounts of low-end primers, and with the high-end C_{11} and C_{12} hydrocarbons substantially removed. The gasoline described in the '356 patent contains C_{11+} hydrocarbons in unspecified small amounts depending on the distillation tower's efficiency, with a fractionation imperfection variable as high as four percent by volume in refinery practice. Unocal's and Tosco's gasolines contain approximately one percent high-end hydrocarbons by volume. Because both the patented '356 gasoline and the accused Unocal and Tosco gasolines include small amounts of C_{11+} hydrocarbons, they both necessarily have end boiling points higher than 345°F.

The Proceedings Below

Talbert sued Unocal, Union Oil, and Tosco, claiming that the '393 gasoline is so similar to the '356 gasoline that it infringes under the doctrine of equivalents. The District Court granted Unocal's summary judgment motion on the equivalency issue. Ignoring the broad and inclusive language of the claims, the extensive detail provided in the specification, and the evidence within the prosecution history that Talbert had adopted the 121°F-345°F boiling point range only to demonstrate the predominance of paraffinic C_6 to C_{10} hydrocarbons in the complex gasoline mixtures, the District Court concluded that by referring to the 121°F-345°F range in the claims, Talbert had disclaimed or surrendered inclusion of any fuels containing any hydrocarbons boiling above 345°F, including any C_{11+} hydrocarbons. The court consequently ruled that Talbert was estopped to reach by way of equivalency the accused gasolines because of a higher

boiling point than 345°F due to the inevitable presence of a small amount of C_{11+} hydrocarbons.

On appeal, the Federal Circuit affirmed. Citing to its *Festo* decision, the court held that because Talbert "relied on [the] temperature specificity for patentability purposes," App. A at 11a, prosecution history estoppel barred Talbert from asserting infringement by equivalency. The court did not examine the record to determine if the presumption of estoppel was rebuttable.

Talbert unsuccessfully petitioned the Federal Circuit for rehearing and rehearing *en banc*, and, on June 11, 2002, the Chief Justice granted an extension of time to file this petition to and including Saturday, July 13, 2002.

REASON FOR GRANTING THE WRIT

THE DECISION BELOW WAS RENDERED PRIOR TO, AND CONFLICTS WITH, THIS COURT'S DECISION IN *FESTO CORP.*

This Court grants certiorari, vacates a judgment, and remands ("GVR") when it concludes that intervening precedent is "sufficiently analogous and, perhaps, decisive to compel re-examination of the case." *Henry v. City of Rock Hill*, 376 U.S. 776, 777 (1964). "Where intervening developments . . . reveal a reasonable probability that the decision below rests upon a premise that the lower court would reject if given the opportunity for further consideration, and where it appears that such a redetermination may determine the ultimate outcome of the litigation, a GVR order is . . . potentially appropriate."

Lawrence v. Chater, 516 U.S. 163, 167 (1996) (per curiam). As this Court has explained, "a GVR order both promotes fairness and respects the dignity of the Court of Appeals by enabling it to consider potentially relevant decisions and arguments that were not previously before it." *Stutson v. United States*, 516 U.S. 193, 197 (1996). This approach "is similar in its flexibility to this Court's longstanding approach to applications for stays and other summary remedies granted without determining the merits of the case under the All Writs Act," but because GVR orders are premised on matters that the Court has reason to believe the court below did not fully consider, and because they require only further consideration, the standard applied in deciding whether to GVR "is somewhat more liberal than the All Writs Act standard, under which relief is granted only upon a showing that a grant of certiorari and eventual reversal are probable." *Lawrence*, 516 U.S. at 168. A GVR order is warranted in this case because the Federal Circuit applied the standard disapproved by *Festo* when it reviewed the District Court's judgment of noninfringement under the doctrine of equivalents.

The doctrine of equivalents precludes an infringer from pirating inventions by making insignificant changes to the original to bring the article outside the literal scope of the patent claim. The equivalents doctrine provides that "a product . . . that does not literally infringe . . . the express terms of a patent claim may nonetheless be found to infringe if there is 'equivalence' between the elements of the accused product . . . and the claimed elements of the patented invention." *Warner-Jenkinson Co. v. Hilton Davis Chem. Co.*, 520 U.S. 17, 21 (1997). The courts below applied the prosecution history estoppel doctrine, which provides that an inventor may not recapture, through the doctrine of

equivalents, claims that were surrendered during the prosecution process to obtain the patent. *American Permahedge, Inc. v. Barcana, Inc.*, 105 F.3d 1441 (Fed. Cir. 1997).

In *Festo*, the Federal Circuit had held that prosecution history estoppel bars any claim of equivalence for the element that was amended, and that when circumstances gave rise to estoppel, no further inquiry was required, regardless of the reason for the amendment or the reasonableness of the claim. This Court reversed, holding that prosecution history estoppel does not bar the inventor from asserting infringement against every equivalent to the narrowed element. Although estoppel "can bar challenges to a wide range of equivalents, its reach requires an examination of the subject matter surrendered by the narrowing amendment." *Festo*, 122 S. Ct. at 1840. In *Warner-Jenkinson*, this Court "struck the appropriate balance by placing the burden on the patentee to show that an amendment was not for purposes of patentability." *Id.* at 1841. Likewise, the Festo decision establishes that the patentee bears the burden of showing that the amendment in question does not surrender the particular equivalent in question, but makes it clear that there are instances in which that is the case. *Id.* at 1842. "There are some cases . . . where the amendment cannot reasonably be viewed as surrendering a particular equivalent." *Id.* For example, "the rationale underlying the amendment may bear no more than a tangential relation to the equivalent in question; or there may be some other reason suggesting that the patentee could not reasonably be expected to have described the insubstantial substitute in question." *Id.* Thus, the patentee must be given an opportunity to show that a particular amendment did not surrender the equivalent.

The Federal Circuit presumed that Talbert made the amendment for patentability purposes, and its application of the absolute bar rule worked to deprive Talbert of the opportunity to rebut the presumption that estoppel applied. The court failed to assess whether Talbert could rebut the presumption of estoppel, as expressly required by this Court's *Festo* decision. For instance, both the district court and the circuit court failed to acknowledge that if limited to a single final boiling point of 345°F, the preferred embodiment of the Talbert '356 patent is excluded, the gasoline is impossible to produce, and is thus rendered inoperable. This is precisely the type of factor that militates against the presumption of estoppel.

Finally, this Court has already granted certiorari, vacated the judgment, and remanded for further consideration in light of *Festo* in several other matters. *See, e.g.*, *Creo Prods. Inc. v. Dainippon Screen Mfg. Co.*, 122 S. Ct. 2323 (2002); *AccuScan, Inc. v. Xerox Corp.*, 122 S. Ct. 2323 (2002); *Insituform Techs., Inc. v. CAT Contr., Inc.*, 122 S. Ct. 2322 (2002); *Pioneer Magnetics, Inc. v. Micro Linear Corp.*, 122 S. Ct. 2322 (2002); *Mycogen Plant Science, Inc. v. Monsanto Co.*, 122 S. Ct. 2324 (2002); *Lockheed Martin Corp. v. Space Sys./Loral Inc.*, 122 S. Ct. 2349 (2002); *PTI Techs., Inc. v. Pall Corp. Techs.*, 122 S. Ct. 2324 (2002); *Semitool, Inc. v. Novellus Sys., Inc.*, 122 S. Ct. 2323 (2002); *Senior Techs., Inc. v. R. F. Techs., Inc.*, 122 S. Ct. 2323 (2002). Each of those cases involved the application of the Federal Circuit's now invalid absolute bar rule, and in each of them this Court remanded for further consideration in light of *Festo*. It is respectfully submitted that the Court should do the same in this case.

CONCLUSION

For the foregoing reasons, the petition should be granted, the judgment below vacated, and the case remanded for further consideration in light of *Festo Corp. v. Shoketsu Kinzoko Kogyo Kabushiki Co.*

Respectfully submitted,

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